

An
Addendum to an Application
for an
Idaho Community Development Block
Grant

to construct improvements to the
City's water system infrastructure

by the
City of Dubois

March 6, 2009

Keith R. Tweedie, Mayor

Prepared by: The Development Company

March 6, 2009

**Don Dietrich, Director
Economic Development Division
Idaho Department of Commerce
700 W State Street
Boise, Idaho 83720-0093**

Dear Mr. Dietrich,

The City of Dubois is pleased to provide addendum information to our request for block grant assistance.

Our water system infrastructure is severely limited in capacity which jeopardizes the health & safety of our Community. Water flows are not adequate to everyday need thus completely inadequate to provide flows during typical peaking and emergency situations. Storage capacity, distribution, wellhead improvements, and backup power are all necessary components of our project.

It is the intent of this addendum to provide assurance of our readiness to proceed and of the funding commitments to the project.

Sincerely,

**Keith R. Tweedie, Mayor
City of Dubois**

Applicant : City of Dubois Chief Elected Official: Keith R. Tweedie, Mayor
Address: PO Box 27/Main Street, Dubois ID 83423 Phone: (208) 374-5241

Sub recipient (if applicable): none Chief Elected Official: _____
Address: _____ Phone: _____

Application Prepared by: Dorothy Bowen, The Development Company Phone: 356-4524 ext. 316
Address: 299 E. 4th N. Rexburg, ID 83440

Architect/Engineer/Planner (Contact Name): Mike Jaglowski, P.E., Keller Associates Phone: 238-2146
Address: 412 W Center, Suite 330; Pocatello, ID 83204

NATIONAL OBJECTIVE (MARK ONE)

☒ X LMI Area ☐ LMI Clientele ☐ Imminent Threat
☐ LMI Jobs ☐ Slum & Blight

PROJECT TYPE (MARK ONE)

☒ X Public Facility/ Housing ☐ Community Center
☐ Economic Development ☐ Senior Center

PROJECT POPULATION TO BENEFIT (PERSONS): Census

TOTAL # TO BENEFIT: 631

TOTAL # LMI TO BENEFIT: 342

% LMI TO BENEFIT: 54.20%

% MINORITY POPULATION: 42%

PROJECT DESCRIPTION: Construction of a 300,000 gallon water storage tank, replacement of 6,750 feet of undersized water lines, construction of source water protection – buildings and site preparation for wells #1 and #2. Construction of a booster pump station to deliver water at State of Idaho pressures and flows requirements, purchase and installation of a backup power generator.

SOURCE	AMOUNT	DATE APPLICATION SUBMITTED	RESERVED/ CONDITIONAL AWARD	FUNDS COMMITTED/ CONTRACT AWARD DATE	DOCUMEN- TATION IN APPENDIX ***
ICDBG	\$500,000	Nov. 2008	-	-	-
Local Cash (Bond)	\$675,000	August 2008	Yes	August 2008	E
USDA-RD Grant	\$225,000	August 2008	Yes	August 2008	E
TOTAL PROJECT FINANCING	\$1,400,000				

* Identify Loan Source(s) USDA-RD Date Bond or Necessary and Ordinary Passed August 5, 2008

Idaho Community Development Block Grant Budget**Applicant or Grantee: City of Dubois****Project Name: Water System Improvements Project**

LINE ITEMS	ICDBG Cash	City Cash & Bond	Federal* USDA-RD Grant	Total
Administrative**	\$50,000	\$18,000		\$68,000
Land, Structures, Rights of Way				
Engineering		\$182,500		\$182,500
Construction	\$450,000	\$452,300	\$225,000	\$1,127,300
Financial Management & Audit		\$12,200		\$12,200
Legal & Bonding		\$10,000		\$10,000
TOTAL COSTS**	\$500,000	\$675,000	\$225,000	\$1,400,000

Economic Advisory Council Project Brief

City of Dubois – Water Facility Project

NEED FOR THE PROJECT

- A facility planning study has determined that the water system –
 - Cannot provide adequate water flow
 - Cannot provide fire protection
 - Is undersized in storage capacity and in distribution lines
 - Does not meet State standards
 - The physical and economic health of the community are compromised
 - The well heads are not protected from contaminants
 - Backup power is severely aged, poorly placed and housed
- Solutions include –
 - Construction of a 300,000 gallon water storage tank
 - Construction of new water lines creating redundancy and increasing size
 - Installation of fire hydrants
 - Replacement of the 40 yr old generator
 - Improvements to the 70 yr old pump house

COSTS AND FINANCING

- The Engineer's updated cost estimates indicate the construction costs for the water system will be \$1,400,000.
- The City passed a bond for \$675,000
- USDA Rural Development is granting \$225,000
- USDA Rural Development is loaning the \$675,000
- The ICDB Grant request is for \$500,000
- In preparation for this project the City raised monthly user rates to an average of \$41.35
- New rates will cover: current and future operations, loan payments, build a reserve.

IMPACT OF THE PROJECT

- Improvements will meet the State's health and safety standards
- Improvements will improve affordability and sustainability of facilities and services
- All 647 residents including the 54.20% low to moderate-income residents will benefit from the project.
- The City will be able to pursue other economic development activities once adequate water for health and safety is assured. A major concern for the area is the lack of housing.

Detailed Cost Analysis

1. Have preliminary plans and specs been submitted to regulatory agencies for review?

☒ Yes ☐ No

If yes, list date submitted: FPS to DEQ on June 2008

If no, list expected date to be submitted:

2. Has final design (for bidding) begun?

☐ Yes ☒ No

If yes, % complete: _____%

If no, what is expected start date: July 2009

3. Will project include bid alternatives to meet project budget if necessary?

☒ Yes ☐ No

4. Are Davis Bacon wage rates applicable to the project?

☒ Yes ☐ No

If yes, are they included in the project costs?

☒ Yes ☐ No

5. Have known environmental measures been included in project costs? (ex: dust mitigation, archaeological survey, storm water drainage, wetland mitigation etc.)

☒ *Yes ☐ No

***Dust mitigation and water runoff during construction are included in Engineers Cost estimates for construction.**

6. What percent of contingency has been included in project budget? 3.8%

7. List the last date the owner and design professional discussed project design and details.

Date: Nov. 11, 2008

8. Design Professional Cost Estimate may be found in Appendix C.

Schedule

Project Activity	Date (to be) Completed	Documentation in Appendix
Grant Administrator Procured	April 2004	Appendix H-in application
Design Professional	April 2004	Appendix H-in application
Other Funding Secured	Bond-August 2008 USDA – November 2008	Appendix E– Bond/USDA RD-in application
Permits Identified & Secured	April 2009	
Sub-recipient Agreement Executed	N/A	
Environmental Review Complete	Nov 2008	
Complete 504 Requirements	Nov 2009	
Complete Fair Housing Requirements	Nov 2009	
Bids Advertised	July 2009	
Start Construction	Aug 2009	
Second Public Hearing	Oct 2009	
Certificate of Substantial Completion	Nov 2009	
National Objective Documented	Oct 2009	
Closeout	Dec 2009	

Design Professional Cost Estimate

Match Commitments

The community passed a bond in August 2008, and USDA – Rural Development has committed (November 2008) to the purchase of the bond of \$675,000 at the close of construction anticipated to be December 2009. See Appendix B.

Property Purchased

The project does not require the purchase of any property; nor are there any issues with right of ways. The storage tank will be constructed on existing City property and the lines will be replaced/constructed in existing right-of-ways along roadsides.

Pro forma/underwriting assessment rates & loan amounts

USDA-Rural Development has provided a letter detailing their underwriting assessment on the project. The letter is included in Appendix C.

Fair Housing Resolution

The City published the Fair Housing Resolution on January 31, 2009 in the Idaho Falls *Post Register*. A copy of the publication is in Appendix A.

Scope of work

The scope of the project has not changed from the application other than the final determination of the placement of the storage tank. The Council and Engineer did finalize the location to be adjacent to the existing raised storage tank and pump house. This was determined to be the most cost effective and best land site for the tank's placement. The City of Dubois lies above a dense bed of lava rock. The existing raised tank site has already been cleared and leveled and will require less preparation and cost than the other sites considered.

Clarification on the status of the Idaho DEQ environmental review process

The Environmental Information Document (EID) has been delivered to IDEQ and is under review (final revision is dated 12-30-2008). The first EID report was presented to IDEQ in July of 2008. This report resulted in questions from IDEQ and additional investigation regarding wetlands and clearance from the US Corps of Engineers and also additional discussion with the State Historic Preservation office.

Once clearance was given by the US Corps and the SHPO the final EID was prepared and submitted to IDEQ. Nancy Bowser and Ester Ceja are actively reviewing the document and it is anticipated that IDEQ approval and finding are imminent. Clearance documentation will be forwarded to the Department as soon as it is received. Appendix D.

APPENDIX A

Fair Housing Publication

APPENDIX B

USDA-Rural Development Commitment

APPENDIX C

Pro forma/Underwriting Assessment and Loan Rates

APPENDIX D

Environmental Clearance – IDEQ

The environmental clearance is still pending with IDEQ as of
March 4, 2009.